

June 4, 2002

Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**JOINT RESOLUTION BETWEEN THE COUNTY OF LOS ANGELES AND THE CITY
COUNCIL OF THE CITY OF SANTA CLARITA ACCEPTING THE NEGOTIATED
EXCHANGE OF PROPERTY TAX REVENUE AS A RESULT OF THE PROPOSED
ANNEXATION OF UNINCORPORATED LOS ANGELES COUNTY TERRITORY TO
THE CITY OF SANTA CLARITA [ANNEXATION NO. 2001-01(96-01)]
(SUPERVISORIAL DISTRICT 5) (3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

Approve the attached Joint Resolution between your Board and the City Council of the City of Santa Clarita (City) based on the negotiated exchange of property tax revenue, as a result of the proposed annexation of approximately 176 acres in unincorporated Los Angeles County into the City's boundaries.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On May 14, 2002, the City Council of the City of Santa Clarita adopted the attached Joint Resolution based on the negotiated exchange of property tax revenue resulting from the proposed annexation of unincorporated Los Angeles County territory into the City's legal boundaries. In order for the Los Angeles Local Agency Formation Commission (LAFCO) to proceed with the required hearings on the proposed annexation, your Board, as the governing body of the County, must also adopt the attached Joint Resolution, which transfers base revenue and a portion of the annual property tax increment ratio from the County to the City and adjusts the County and the City's share of the annual property tax increment ratio accordingly.

FISCAL IMPACT/FINANCING

The adopted resolution will transfer One Hundred Thirty-nine dollars (\$139) in base property tax revenue from the County to the City and 5.6340677 percent of the Annual Tax Increment (ATI) ratio attributable to the annexation from the County to the City commencing in Fiscal Year 2003-04. The portion of the ATI transferred to the City is based on the City's 2000-01 share of the 1 percent property tax levy. The information below shows the City and County's share of the ATI before and after the adjustments:

Tax Rate Area	Percent of County Share Before ATI Transfer	Percent of ATI Transfer Rate to City	Adjusted County Share After ATI Transfer to City
00957	29.6700088	5.6340677	24.0359411
09149	29.7746357	5.6340677	24.1405680

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Pursuant to Part 3, Division 3, Title 5 of the California Government Code, commencing with Section 56000, the City filed its application with LAFCO on September 1, 2001, to initiate proceedings for annexation of approximately 176 acres of territory located in unincorporated Los Angeles County.

Section 99 of the Revenue and Taxation Code requires that prior to the effective date of any jurisdictional change, the governing bodies of all agencies whose service area or service responsibilities will be altered by such change must negotiate a reallocation of property tax revenue between the affected agencies, and approve and accept such reallocation by resolution.

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Adoption of the Resolution by your Board will allow LAFCO to schedule the required public hearing to consider testimony on the proposed annexation. LAFCO will subsequently take action to approve, approve with changes or disapprove the proposal.

The Joint Resolution has been approved as to form by County Counsel.

CONCLUSION

At such time as the recommendation is approved by your Board, please return one copy of this letter and five signed originals of the Resolution to LAFCO, three copies of this letter and two signed originals of the Resolution to the Chief Administrative Office, Office of Unincorporated Area Services and Special Projects, and one copy of the letter and Resolution to the Auditor-Controller, Tax Division.

Respectfully submitted,

DAVID E. JANSSEN
Chief Administrative Officer

DEJ:LS
DD:MJS:os

Attachment

c: Auditor-Controller
County Counsel

**JOINT RESOLUTION OF
THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES
AND THE CITY COUNCIL OF THE CITY OF SANTA CLARITA**
APPROVING AND ACCEPTING
THE NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUE RESULTING FROM
“ANNEXATION NO. 2001-1 (96-01)” TO THE CITY OF SANTA CLARITA AND
DETACHMENT FROM THE LOS ANGELES COUNTY ROAD DISTRICT NO. 5

WHEREAS, pursuant to Section 99 of the Revenue and Taxation Code, for specified jurisdictional changes, the governing bodies of an affected County and City shall negotiate and determine the amount of property tax revenue to be exchanged between the affected agencies; and

WHEREAS, the Board of Supervisors of the County of Los Angeles, as governing body of the County and County Road District No. 5, and the City Council of the City of Santa Clarita have determined that the amount of property tax revenue to be exchanged between their respective agencies as a result of the annexation of unincorporated territory to the City of Santa Clarita identified as “Annexation No. 2001-1 (96-01)” and detachment from County Road District No. 5, is as set forth below:

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The negotiated exchange of property tax revenue between the County of Los Angeles and the City of Santa Clarita resulting from “Annexation 2001-1 (96-01)” is approved and accepted.

2. For fiscal years commencing on or after July 1, 2003, or the July 1 after the effective date of this jurisdictional change, whichever is later, One Hundred Thirty-nine (\$139) shall be transferred from the County of Los Angeles to the City of Santa Clarita. In addition, for each fiscal year commencing on or after July 1, 2003, or the July 1 after the effective date of this jurisdictional change, whichever is later, .056340677 percent of

the annual property tax increment attributable to TRA 09149, and .056340677 percent attributable to TRA 00957, shall be transferred from the County of Los Angeles to the City of Santa Clarita, and that the County's share in each of the TRAs shall be reduced accordingly.

3. For fiscal years commencing on or after July 1, 2003, or the July 1 after the effective date of this jurisdictional change, whichever is later, the annual property tax increment received by County Road District No. 5 attributable to Annexation No. 2001-1 (96-01) shall be transferred to the County of Los Angeles.

4. In the event that all or a portion of the annexation area is included within a redevelopment project pursuant to California Community Redevelopment Law, Health & Safety Code Sections 33000 et seq., the City of Santa Clarita shall not adopt the ordinance approving the redevelopment plan with respect to the annexed area until such time as the Redevelopment Agency of the City of Santa Clarita has diligently and in good faith complied with all applicable provisions of the California Community Redevelopment Law, including but not limited to, Health & Safety Code Section 33670 or any other relevant provision of the law. Any ordinance approving a redevelopment project which does not comply with this paragraph shall be void and of no effect with regard to the subsequent allocation and distribution of taxes to the Redevelopment Agency.

PASSED, APPROVED AND ADOPTED this _____ day of _____, 2002
by the following vote:

AYES:

ABSENT:

NOES:

ABSTAIN:

Mayor, City of Santa Clarita

ATTEST:

City Clerk

The foregoing resolution was on the _____ day of _____, 2002, adopted by the Board of Supervisors of the County of Los Angeles and ex officio the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts.

VIOLET VARONA-LUKENS, Executive Officer
Clerk of the Board of Supervisors
Of the County of Los Angeles

By _____
Deputy

APPROVED AS TO FORM
BY COUNTY COUNSEL

LLOYD W. PELLMAN

By _____
Deputy